

**IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF NEW YORK**

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PleasrDAO, an exempted foundation company, :
: Case No. 24-cv-04126
: Plaintiff, :
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: :
: v. :
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: :
: Martin Shkreli, :
: :
: :
: :
: Defendant. :
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DECLARATION OF MATTHEW MATKOV

I, Matthew Matkov, hereby declare under penalty of perjury, pursuant to 28 U.S.C. § 1746, as follows:

1. I am currently lead at PleasrDAO and am authorized to make this declaration on behalf of PleasrDAO. I submit this Declaration in support of PleasrDAO's Application for Temporary Restraining Order, Preliminary Injunction, Order Seizing Assets, and Order for Disgorgement and Accounting. The following information is true to the best of my personal knowledge, except as to facts asserted on information and belief.

2. PleasrDAO is an exempted foundation company established in the Cayman Islands with a registered office at Cricket Square, Hutchins Drives, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

3. PleasrDAO collects and publicly displays culturally significant media and materials with the intent of creating ecosystem experiences that encourage participation and interaction throughout the United States and other countries. PleasrDAO has built a reputation of funding important movements, charities, and causes in various, modern ways.

A. The Album and Related Transactions

4. I understand that the Wu-Tang Clan (“Wu-Tang”) and producer Tarik “Cilvaringz” Azzougarh (“Azzougarh”) co-created the world’s first single-copy album “Once Upon a Time in Shaolin.” Wu-Tang recorded *Once Upon a Time in Shaolin* from 2007 to 2013, which is a secret 31-track compilation featuring guest appearances from notable individuals such as musical artists, celebrity actors, and professional athletes. *Once Upon a Time in Shaolin* was a protest to what its creators and producers saw as the devaluation of music in the digital era. A true and correct copy of the official album website is attached as **Exhibit A**.

5. The recordings on *Once Upon a Time in Shaolin* (i.e., its data and files) were intended to be unknown to anyone other than its producers, creators, and its subsequent owners. Those data and files are not generally known to the general public.

6. I understand that, on September 3, 2015, Shkreli purchased *Once Upon a Time in Shaolin* and the rights, restrictions, and obligations appurtenant to the Album’s use, sale, and transferability (collectively, the “Album”) from Wu-Tang leader Robert “RZA” Diggs and producer, Azzougarh, for a reported sum of \$2,000,000. A true and correct redacted copy of RZA, Azzougarh, and Martin Shkreli’s September 3, 2015 purchase agreement is attached as **Exhibit B** (the “Original Purchase Agreement”).

7. I further understand that, at that time, the sale made the Album the single most expensive musical work ever sold, certified by the Guinness Book Of World Records. A true and correct copy of the Guinness World Record webpage, available at <https://www.guinnessworldrecords.com/world-records/360608-most-valuable-album>, is attached as **Exhibit C**.

8. Upon information and belief, Shkreli forfeited the Album to the United States as a term of his sentence for his criminal conviction of securities fraud in 2018. A true and correct copy of the Forfeiture Order is attached as **Exhibit D**.

9. PleasrDAO acquired the Album in two transactions. In July 2021, it bought the physical asset and exclusive right to play the audio tracks for approximately \$4,000,000. In January 2024, it bought the copyrights in and exclusive right to exploit the recordings for approximately \$750,000. Through these transactions, PleasrDAO received a copy of the Original Purchase Agreement.

10. According to its website, on July 27, 2021, the Department of Justice published an article entitled “United States Sells Unique Wu-Tang Clan Album Forfeited by Convicted Hedge Fund Manager Martin Shkreli.” The article is available at <https://www.justice.gov/usao-edny/pr/united-states-sells-unique-wu-tang-clan-album-forfeited-convicted-hedge-fund-manager>. A true and correct copy of the article can be found at **Exhibit E**.

11. At all relevant times, PleasrDAO moved the Album by secure transport and/or kept in a secure location. The security measures undertaken included the use of armed security guards, secure entrance and exit points, and continual video surveillance, oversight and checks on the Album’s condition. Other than when in use by its members, PleasrDAO has stored the Album in a secure facility.

12. PleasrDAO acquired the Album with the intent of creating a membership based NFT ecosystem, distributing NFTs representing access to the members-only ecosystem, and arranging private performances of the data and files throughout the world.

B. Shkreli’s Social Media Activity

13. Upon information and belief, Shkreli has maintained an active social media presence before, during, and after his release from prison in May 2022.

14. Upon information and belief, Martin Shkreli runs and operates the social media account on Facebook at <https://www.facebook.com/martinshkr/>. This account has made several posts, including:

- a. A post, dated July 27, 2017, stating “My case is a silly witch hunt perpetrated by self-serving prosecutors. Thankfully my amazing attorney sent them back to junior varsity where they belong. Drain the swamp. Drain the sewer that is the DOJ. MAGA.” A true and correct copy of the post is available at <https://www.facebook.com/martinshkr/posts/10101570221131225>.
- b. A post, dated September 5, 2017, stating “I am selling the Wu-Tang Clan album. Fuck Wu-Tang.” A true and correct copy of the post is available at <https://www.facebook.com/martinshkr/posts/10101607387838845>.
- c. A post, dated September 7, 2017, stating “Fuck the government. I will never kiss their ring or snitch. Come at me with your hardest because I haven’t seen anything impressive yet.” A true and correct copy of the post is available at <https://www.facebook.com/martinshkr/posts/10101609184398525>.
- d. A post, dated December 9, 2018, stating “The insecure bureaucrats at the EDNY are at it again, arresting a well-respected Chinese CFO in an attempt to calm what is clearly an organizational inferiority complex. The government’s “law enforcement” apparatus (a Police State-Leviathan) is out of control. Aren’t there enough American criminals? Do we really have to expand to China, telling Chinese companies what they can and can’t do? The arrogance of those who desperately desire power and will hammer anything into a nail with no poise or regard for common sense is harmful to our country. We have more people

incarcerated per capita than anywhere on planet earth. Cut the DOJ in half and force prosecutors to focus on crimes that matter. Not “frauds” with 5x returns (my case), “violent drug dealers” (50%+ of those incarcerated), or Chinese doing business in Iran. What else? Hire judges who aren’t former prosecutors. Don’t let the government “go first” in presenting their case, and “go twice” in closing arguments. Make jury instructions simple. Let juries weigh in on punishment. We need serious reform--the legal system is far from perfect and experimentation is what democracy is all about. We change our healthcare system faster than dirty underwear, but structural changes to criminal justice are quite slow. I certainly didn’t want to be a part of this “movement”, but I happily join Meek Mill and the millions of other felons (and their loved ones) who are scratching their heads at the state of affairs we find ourselves in. (posted by a friend)[.]” A true and correct copy of the post is available at <https://www.facebook.com/martinshkr/posts/10101973940883605>.

- e. A post, dated January 25, 2019, stating “Memo to Roger Stone Jr. Jail is not that bad. Play cards and trade war stories all day. Fight the case if you want, but the system is so rigged, it’s probably better to make a polite mockery of the “justice” system than hang on to the 1% chance you can beat illegal Brady suppression, FBI coercion, jury “instructions”, two prosecutor closing statements, media leaks and trial-by-public-opinion, FBI agents getting to take the witness stand, etc. “A crime a day” is a good resource to see how easy it is for the malefactors that be to find a “crime” you’ve committed. After all, you’re joining 70 million US citizens who share the honorable distinction of criminal, including yours

truly. Here is hoping a supra-judiciary entity will intervene in your case. Love,
Martin Shkreli P.S. Never, ever, ever snitch. (posted by a friend)[.]” A true and
correct copy of the post is available at
<https://www.facebook.com/martinshkr/posts/10102010190658765>.

True and correct copies of these Facebook posts are attached as **Exhibit F**.

15. Upon information and belief, Shkreli frequently participates in “live stream” activity, including on Discord, X (formerly Twitter) and YouTube. During his live streams, Shkreli often shares his computer screen with his audience while he engages in online activities including virtual reality computer games and attempts to meet women through online dating.

16. Upon information and belief, live streamers often make money through viewership either by advertising revenue or paid channel memberships. YouTube is one platform where individuals can stream content. According to YouTube’s website, “[l]ive streaming on YouTube offers multiple ways to build your business, with monetization options like Advertising Revenue, Super Chat & Super Stickers, and Channel Memberships—including Membership Gifting.” A true and correct copy of the webpage, which is available at <https://www.youtube.com/creators/live-streaming-on-youtube/#:~:text=Live%20streaming%20on%20YouTube%20offers,paid%20doing%20what%20you%20love>, is attached as **Exhibit G**.

17. Upon information and belief, Martin Shkreli currently runs and operates the YouTube channel at <https://www.youtube.com/channel/UCjYKsjt-7EDU78KEcVbhYnQ>. According to this webpage, the channel has over fifty-seven thousand subscribers.

18. Upon information and belief, Martin Shkreli played certain files from the Album over his YouTube live streams. The archived videos from these streams have either since been restricted in access or removed from YouTube. I have been told, however, that:

- a. On or about June 18, 2022, Shkreli played certain files from the Album during one of his YouTube live streams. Shkreli made comments during the video that the file(s) were from the Album. He stated, “Yeah, that’s the Wu Tang album for all you crazy streamer people.” A link to the video was previously accessible at <https://m.youtube.com/watch?v=YkOai1aOq9s>. This YouTube video is no longer accessible, however, and the webpage now reads: “If the owner of this video has granted you access, please sign in.”
- b. On or about June 22, 2022, during another live stream on YouTube, Shkreli was asked if he still has a copy of *Once Upon a Time in Shaolin*. Shkreli said, “I do. I was playing it on YouTube the other night even though somebody paid \$4 million for it.” A link to the video was previously accessible at https://m.youtube.com/watch?v=JB-XaDZgK_8&t=2235s&pp=2AG7EZACA_Q%3D%3D. This YouTube video is no longer accessible, however, and now reads: “This video is no longer available because the YouTube account associated with this video has been terminated.”
- c. On June 30, 2022, during another live stream, Shkreli again apparently played a portion of the Album and further admitted to having retained a copy of the Album. He said: “of course I made MP3 copies, they’re like hidden in safes all around the world . . . I’m not stupid. I don’t buy something for two million dollars just so I can keep one copy.”

19. Upon information and belief, Martin Shkreli runs and operates a blog on Substack at <https://martinshkreli.substack.com/>. A post on this website dated May 24, 2023 states, in part, “Bloomberg mentioned that I used to sip fine wines. Well, I still do. They mentioned my art

collection. Still have that, too. The Wu-Tang album was brought up. I timed the sale of the album to take advantage of the NFT boom and made a great profit and still kept the mp3s, which I've played online a number of times since returning." The blog post is available at https://martinshkreli.substack.com/p/how-the-media-lies-about-me-bloomberg?utm_source=publication-search. A true and correct copy of the webpage is attached as **Exhibit H**.

20. Andrew Lloyd is a PleasrDAO member. Upon information and belief, Mr. Lloyd operates the X account @androolloyd. On April 13, 2024, the X account @androolloyd posted a photo of the Album on X with the caption, "If you wondered why it was so quiet on Twitter. There's a lot of us that were listening to this." The X post is available at <https://twitter.com/androolloyd/status/1779149127663677617>. The same day, an X account named @MartinShkreli commented on Mr. Lloyd's X post several times, stating the following:

- a. "LOL i have the mp3s you moron[.]" The comment is available at <https://x.com/MartinShkreli/status/1779238901795701005>.
- b. "i literally play it in my discord all the time. you're an idiot[.]" The comment is available at https://twitter.com/MartinShkreli/status/1779290712229491078?ref_src=twsrc%5Etfw.
- c. "this thread is about someone listening to a CD > 5000 people have . . ." The comment is available at https://twitter.com/MartinShkreli/status/1779291698209722631?ref_src=twsrc%5Etfw.

A true and correct copy of Mr. Lloyd's post and these comments is attached as **Exhibit I**. It is my understanding that Martin Shkreli runs and operates the X account @MartinShkreli.

21. On April 13, 2024, the @MartinShkreli X account also responded to several other X accounts that had commented on Mr. Lloyd's X post, stating:

- a. “i can just upload the mp3s if you want? email addy?” The comment is available at <https://x.com/MartinShkreli/status/1779239054837465535>. A true and correct copy of Mr. Lloyd’s post and these comments is attached as **Exhibit J**.
- b. “just give me your email lol[.]” The comment is available at <https://x.com/MartinShkreli/status/1779239200530837574>. A true and correct copy of Mr. Lloyd’s post and these comments is attached as **Exhibit K**.

22. On May 13, 2024, a YouTube account named “OX Media Corporation” posted a video entitled “OXP 012 – Martin Shkreli proves that AI coin = scam, Wikipedia can’t measure and girls hate WuTang.” In the video, Shkreli made a number of comments regarding the album, including by stating “That was why I was mad at Hayden, because he was like, ‘I listened to the album you are not allowed to listen to anymore.’ And I was like, ‘Dude, you know I burned the album and sent it to like, 50 different chicks, right? Do you know how many blowjobs that album got me? You think I didn’t make a fucking copy of it? Are you joking?’ And the fucking nerd attitude of this Brooklyn hipster to tell me . . . all he did was listen to it, and I was like, thousands of people have listened to it. I sent the mp3s to all these people.” The video is available at <https://youtu.be/QpcYzfEA5nQ?si=Vo2RFjGvU194juQZ&t=12698>.

23. On May 14, 2024, the @MartinShkreli X account posted a screenshot of PleasrDAO’s website, with the caption “look out for a torrent im sick of this shit @PleasrDAO[.]” The post is available at <https://x.com/MartinShkreli/status/1790484137486217269>. The @MartinShkreli X account also commented on this post, stating “ive already sent it to 50 ppl[,]” available at <https://x.com/MartinShkreli/status/1790546247402578261>. A true and correct copy of this post and comment is attached as **Exhibit L**.

24. On June 9, 2024, the @MartinShkreli X account posted “well @pleasrdao blocked me from their account so I think I will play the album on spaces now,” available at <https://x.com/MartinShkreli/status/1799871344944849333>. Less than an hour later, the @MartinShkreli X account hosted a “Spaces” session entitled “Wu tang official listening party” and tweeted “Never heard before wu tang stream,” available at <https://x.com/MartinShkreli/status/1799871556316725666>. Spaces is an X feature in which users can listen to and participate in live audio conversations. During his Spaces session, the @MartinShkreli X account played music from the Album that any participant could hear. According to X, 4.9 thousand listeners “tuned in.” Other X users commented on Shkreli’s posts, stating among other things, “This is Great!”, “Thanks for sharing. This is good!”, and “Yo Martin that was great any chance you doing another stream sometime with the other album?” A true and correct copy of these posts is attached as **Exhibit M**.

25. Shkreli has, at times, been a vocal opponent of Wu-Tang. Upon information and belief, a video on YouTube, dated January 28, 2016, depicts Martin Shkreli and several masked individuals talking about the Album and Wu-Tang Clan. In the video, Shkreli states that he will “erase” Wu-Tang member “Ghostface Killah” from the Album and “the record books of rap.” The video is available at <https://www.youtube.com/watch?v=li9jywQ4cgc>.

26. Upon information and belief, an undated video on TMZ.com depicts Martin Shkreli using the Album’s casing as a beverage coaster. The video is available at <https://www.tmz.com/watch/0-vzddg3rg/>. The scene in question happens at the 3 minute and 6 second mark.

C. The Album is Confidential, Proprietary and a Trade Secret

27. Upon information and belief, Jason Leopold, a reporter for Buzzfeed.com, submitted a FOIA request for various documents pertaining to the Album on August 4, 2021. The

Department of Justice responded to the request stating that it was withholding information responsive to the request under FOIA Exemption (b)(4), which “protects trade secrets and commercial or financial information obtained from a person that is privileged or confidential.” Mr. Leopold’s article describing this process is available at <https://www.buzzfeednews.com/article/jasonleopold/the-government-released-new-photos-of-wu-tang-clans-once>. A true and correct copy of the FOIA correspondence Mr. Leopold posted to in this article is attached as **Exhibit N**.

28. PleasrDAO has never given Shkreli its consent to disclose or use the Album or its contents.

29. PleasrDAO’s ability to create commercial ecosystem experiences encouraging member participation and interaction in a music experience involving the Album largely depends on the Album remaining a piece of confidential proprietary commercial information through an ecosystem launch.

30. Were Shkreli to disseminate copies of the Album, it would greatly diminish the Album’s value, and would impair PleasrDAO’s ability to market, distribute, and deploy the Album’s potential commercial viability.

31. PleasrDAO intends to make commercial use of the Album in the near future.

I declare under penalty of perjury that the foregoing is true and correct. Executed on June 10, 2024.



Matthew Matkov